

~~CONFIDENTIAL~~

15 February 1963

MEMORANDUM FOR THE RECORD

SUBJECT: Reimbursement to Department of State

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Date: <u>24-9-78</u>	By: <u>[Signature]</u>

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1. Colonel White called to request an Agency policy with respect to reimbursements to the Department of State in FY 1963 and FY 1964 for the inter-departmental seminar in counterinsurgency. Col. White advised [] to represent the Agency at a 2:00 meeting this date to discuss this subject. Col. White stated that it was his understanding that the military were prepared to reimburse State for costs in FY 1963 and FY 1964 and that we should allow [] to speak for the Agency in agreeing to the decision of the group represented at the aforementioned meeting.

2. I took the position that as a matter of principle I could not agree with the concept of reimbursement for training or with being bound by the "group" decision. I reminded Col. White that we were not requesting reimbursement from State for training courses provided to State employees, that we did not reimburse the National War College for students we sent there and suggested that to begin reimbursement for training in the subject seminar -- to which we provided, without reimbursement, one full-time employee instructor and a half dozen lecturers -- would establish a bad precedent. Col. White asked that I get some policy position which will guide [] and provide him with it prior to 2:00.

3. I viewed the matter with Frank Ecker, BOB, and advised [] to take the following position (this position was supported by the Comptroller in a subsequent discussion).

- That in principle the Agency should not endorse reimbursement for seminar participation.
- That we understood State had requested a supplemental appropriation to cover all costs of the seminars but that this had been turned down for FY 1963.
- That the inclusion of a request for funds to cover total costs in its supplemental request suggested that State had also agreed in principle with underwriting all costs.
- That in the absence of the supplemental approval to cover all costs, State had asked for funds to cover only State expenses.

- e. That CIA had not budgeted for these costs and to reimburse State would involve reprogramming in FY 1963 and accordingly further discussions with our Comptroller to determine the availability of moneys. However, that the Agency would be guided for FY 1963 costs only by the decision of the joint participants.
- f. That the Agency would not, at this time, discuss cost for FY 1964.
- g. That we understand the BOB is not settled on the reimbursement route in FY 1964 and is looking into the matter.

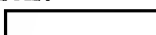


Chief, Budget Division

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